(a) whether it is a fact that Rajkot airport has vast traffic potential for Mumbai and Delhi;

(b) if so, whether Government proposes to start extra flights from Rajkot airport; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Air India and Jet Airways are presently operating Scheduled air services on Mumbai-Rajkot-Mumbai routes. However, there is no direct flight from Delhi to Rajkot.

(b) and (c) Government has laid down route dispersal guidelines with a view to achieve better regulation of air transport services taking into account the need for air transport services of different regions of the country. It is, however, up to the airlines to provide air services to specific places depending upon the traffic demand and commercial viability. As such, the airlines are free to operate anywhere in the country subject to compliance of route dispersal guidelines issued by Government.

Separate Stock Exchange for SMEs

*279. SHRI SANTOSH BAGRODIA:
SHRI GIREESH KUMAR SANGHI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government proposes to set up separate stock exchange for the Small and Medium Enterprises (SMEs);

(b) if so, whether Government has commissioned any study to measure the feasibility of such scheme with the stakeholders;

(c) if so, the rationale for such an exchange considering that there are separate indices for the midcap and small cap segments in the existing National Stock Exchange (NSE) and Bombay Stock Exchange (BSE);

(d) by when such exchange is likely to begin trading; and

(e) whether Securities and Exchange Board of India (SEBI) has framed the guidelines for listing and trading in the upcoming stock exchange of SMEs?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) The Securities and Exchange Board of India (SEBI) recognises and regulates Stock Exchanges. SEBI has decided to facilitate the setting up of separate stock exchanges or a platform in the existing stock exchanges dedicated to the Small and Medium Enterprises (SMEs) with the objective of making available equity capital at lower cost for small and medium scale industries.

(b) A discussion paper on developing market for Small and Medium Enterprises in India was put up on the SEBI web-site on May 26, 2008 for inviting public comments. Based on the public comments received and discussions with various market participants, the framework for

recognition and supervision of stock exchanges/platforms of stock exchanges for small and medium enterprises was placed in the public domain.

(c) The need and criteria of listing at SME exchange/platform are different from those for listing on BSE and NSE. Therefore, it is felt that separate SME exchange/platform of existing stock exchange are required.

(d) No timeline has been set by SEBI for the setting up of such an exchange/platform and for trading to commence.

(e) SEBI Board in the meeting held on 9th November 2009, approved the broad operational guidelines for SME exchange/platform.

Impact of economic slow down

*280. SHRI MOINUL HASSAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that economic slow down has hit plan resources;

(b) if so, the details thereof; and

(c) what action Government has taken in this regard?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) to (c) The economic slowdown in 2008-09 was largely on account of global shocks; the first half of the year, witnessed steep rise in international commodity prices while the global financial crisis emerged in the second half of the year whose impact spilled over to the current year as well. To minimise the adverse impact on the economy, the Reserve Bank of India took a number of monetary measures and the Government under took a fiscal expansion including through stimulus measures announced in December 2008, January 2009 and February 2009. Due to this conscious fiscal expansion, resources flow to plan schemes increased in 2008-09 and 2009-10 (BE) as detailed in the Table below.

Year	Total Expenditure (Rs. crore)	Plan Expenditure	Total Expenditure (As per cent of GDP)	Plan Expenditure
2007-08	7,12,671	2,05,082	15.1	4.3
2008-09 (Prov. Act)	8,81,469	2,75,450	16.6	5.2
2009-10(BE)	10,20,838	3,25,149	17.4	5.6

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WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Merger of IA and AI

1997. DR. E.M. SUDARSANA NATCHIAPPAN:
SHRI SANTOSH BAGRODIA:
SHRI SANJAY RAUT: